

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7293

BILL NUMBER: HB 1527

DATE PREPARED: Jan 9, 2001

BILL AMENDED:

SUBJECT: Waiver of Penalty for Late Tax Payments.

FISCAL ANALYST: Diane Powers

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FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the Department of State Revenue, in determining whether to waive a penalty imposed for a taxpayer's failure to file a return or remit taxes owed, to consider whether: (1) the taxpayer's act or omission is the result of an unintentional oversight; and (2) the taxpayer's act or omission is the first such act or omission committed by the taxpayer. The bill requires the Department to adopt, not later than September 1, 2001, emergency rules requiring the Department's consideration of these factors. The bill provides that the factors must be considered for penalties imposed for tax returns due or taxes due and payable after September 30, 2001.

Effective Date: July 1, 2001.

Explanation of State Expenditures:

Explanation of State Revenues: This bill will have a minimal impact of the collection of penalties. The Department of Revenue indicated that these factors could be considered under the existing general waiver provisions.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of State Revenue.

Local Agencies Affected:

Information Sources: